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BEFORE THE BOARD OF MILK CONTROL
OF THE STATE OF MONTANA
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES



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PRODUCER CLASS I PRICE IN MONTANA
HELENA, MONTANA 59620

REF: ARM 32.24.301(5)

CLASS I PRICE FOR MILK TESTING 3.5%	\$20.39 /CWT
CLASS I BUTTERFAT PRICE PER POUND	\$1.57 /LB

EFFECTIVE JULY 1, 2007:

The minimum price to pay milk producers, under ARM 32.24.301, is \$20.39 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of 15.7 cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be \$1.57

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(6)

CLASS II PRICE FOR MILK TESTING 3.5%	\$20.77 /CWT
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Average spray process dry milk solids
price per pound = \$2.04125
Multiplied by 8.2 x 8.2

\$16.73830 \$16.73830

Last quote of the month for Grade AA butter
minus a differential of \$.0895 = \$1.42050
Multiplied by 4.2 x 4.2

\$5.96610 + \$5.96610

LESS a make allowance of 8.5% (\$22.7044 X .085)

\$22.70440
- \$1.92987
\$20.77453

Rounded to the nearest whole cent = \$20.77 /hundredweight.

**CLASS II BUTTERFAT PRICE PER POUND****\$1.58 /LB**

Last quote of the month for Grade AA butter					
minus a differential of \$.0895	=	\$1.42050	X .111)	=	\$0.15768
Rounded to the nearest half cent				=	\$0.158

Butterfat value per pound
for milk at 3.5% test: **\$1.58**

Hundredweight price of milk testing 3.5%					
LESS 3.5 pounds of butterfat at		\$1.58	per pound	=	\$20.77
Value of 96.5 pounds of skim				-	\$5.530
				=	<u>\$15.240</u>

CLASS II VALUE OF					
ONE POUND OF SKIM					
		15.240 / 96.5 pounds)		=	\$0.15793 /LB

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(7)

CLASS III PRICE PER CWT FOR MILK TESTING 3.5%**\$17.89 /CWT**

3.5 pounds of butterfat	x	\$1.28	per pound =	\$4.480
96.5 pounds of skim	x	\$0.13893	per pound =	\$13.407
				<u>\$17.887 /CWT</u>

CLASS III BUTTERFAT PRICE PER POUND**\$1.28 /LB**

Last quote of the month for Grade AA butter					
minus a difference of \$.0895	=		\$1.42050		
LESS 10%	-		\$0.14205		
			<u>\$1.27845</u>		

Rounded to the nearest whole cent = **\$1.28** per pound.

CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED**\$13.89275 /CWT**

Avg. spray process dry milk solid price/lb =		\$2.04125			
Multipled by 8.2	x	8.2			
			<u>\$16.73825</u>		
LESS 17%	-		\$2.84550		
			<u>\$13.89275</u>		

Rounded to the nearest whole cent = **\$13.89** per hundredweight.

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by:

Monte Nick, Bureau Chief
Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$20.39 FOR 3.5% MILK 96.5 LBS = \$14.895			CLASS II SKIM PRICE BASED ON \$20.77 FOR 3.5% MILK 96.5 LBS = \$15.240			CLASS III SKIM PRICE BASED ON \$17.89 FOR 3.5% MILK 96.5 LBS = \$13.407		
Blend Prices		Quota	Blend Prices		Quota	Blend Prices		Quota
		Excess			Excess			Excess
Jan-97 \$	13.25 \$	11.85	Jul-00 \$	13.11 \$	9.21	Jan-04 \$	14.15 \$	10.59
Feb-97 \$	13.01 \$	9.83	Aug-00 \$	13.51 \$	8.04	Feb-04 \$	12.75 \$	11.64
Mar-97 \$	13.35 \$	9.95	Sep-00 \$	13.38 \$	9.53	Mar-04 \$	13.15 \$	12.48
Apr-97 \$	13.84 \$	9.88	Oct-00 \$	13.49 \$	8.14	Apr-04 \$	14.23 \$	13.94
May-97 \$	13.79 \$	8.11	Nov-00 \$	13.40 \$	10.31	May-04 \$	14.45 \$	13.95
Jun-97 \$	12.37 \$	8.09	Dec-00 \$	12.82 \$	9.29	Jun-04 \$	18.35 \$	12.97
Jul-97 \$	12.34 \$	8.14	Jan-01 \$	14.01 \$	10.23	Jul-04 \$	19.04 \$	10.58
Aug-97 \$	12.41 \$	9.59	Feb-01 \$	13.47 \$	9.91	Aug-04 \$	17.27 \$	11.19
Sep-97 \$	12.80 \$	10.38	Mar-01 \$	12.84 \$	10.47	Sep-04 \$	14.63 \$	11.29
Oct-97 \$	13.76 \$	10.50	Apr-01 \$	14.10 \$	11.76	Oct-04 \$	14.24 \$	11.17
Nov-97 \$	14.05 \$	11.22	May-01 \$	14.68 \$	12.62	Nov-04 \$	15.26 \$	11.49
Dec-97 \$	14.22 \$	10.43	Jun-01 \$	15.78 \$	13.09	Dec-04 \$	13.86 \$	10.66
Jan-98 \$	14.16 \$	10.10	Jul-01 \$	15.48 \$	13.36	Jan-05 \$	15.51 \$	13.80
Feb-98 \$	14.38 \$	10.11	Aug-01 \$	16.52 \$	13.92	Feb-05 \$	15.67 \$	10.61
Mar-98 \$	14.50 \$	9.65	Sep-01 \$	15.74 \$	14.58	Mar-05 \$	14.32 \$	11.99
Apr-98 \$	14.50 \$	9.65	Oct-01 \$	16.74 \$	13.29	Apr-05 \$	15.03 \$	12.43
May-98 \$	13.72 \$	8.71	Nov-01 \$	15.40 \$	12.22	May-05 \$	14.74 \$	12.74
Jun-98 \$	13.37 \$	10.65	Dec-01 \$	14.90 \$	10.38	Jun-05 \$	14.57 \$	11.81
Jul-98 \$	12.91 \$	12.54	Jan-02 \$	12.99 \$	10.60	Jul-05 \$	14.09 \$	12.30
Aug-98 \$	14.53 \$	13.06	Feb-02 \$	12.90 \$	10.78	Aug-05 \$	15.16 \$	13.33
Sep-98 \$	16.03 \$	13.37	Mar-02 \$	12.77 \$	10.50	Sep-05 \$	15.47 \$	12.66
Oct-98 \$	16.12 \$	14.72	Apr-02 \$	12.72 \$	10.20	Oct-05 \$	14.76 \$	13.77
Nov-98 \$	16.34 \$	15.91	May-02 \$	12.55 \$	10.84	Nov-05 \$	14.97 \$	13.21
Dec-98 \$	17.17 \$	15.55	Jun-02 \$	11.51 \$	8.79	Dec-05 \$	14.96 \$	12.29
Jan-99 \$	16.94 \$	10.92	Jul-02 \$	12.30 \$	9.46	Jan-06 \$	14.15 \$	12.46
Feb-99 \$	17.54 \$	9.92	Aug-02 \$	11.82 \$	10.15	Feb-06 \$	14.08 \$	12.58
Mar-99 \$	16.75 \$	9.63	Sep-02 \$	11.86 \$	10.36	Mar-06 \$	14.05 \$	12.55
Apr-99 \$	11.95 \$	10.31	Oct-02 \$	11.68 \$	10.11	Apr-06 \$	12.71 \$	11.21
May-99 \$	Missing May		Nov-02 \$	11.60 \$	10.66	May-06 \$	12.44 \$	10.94
Jun-99 \$	12.86 \$	9.51	Dec-02 \$	12.04 \$	10.61	Jun-06 \$	11.98 \$	10.48
Jul-99 \$	12.85 \$	11.66	Jan-03 \$	12.85 \$	10.61	Jul-06 \$	11.44 \$	9.94
Aug-99 \$	13.25 \$	13.11	Feb-03 \$	11.08 \$	9.52	Aug-06 \$	12.24 \$	10.74
Sep-99 \$	14.79 \$	12.26	Mar-03 \$	11.31 \$	9.65	Sep-06 \$	12.44 \$	10.94
Oct-99 \$	16.32 \$	10.20	Apr-03 \$	11.10 \$	10.06	Oct-06 \$	12.57 \$	11.07
Nov-99 \$	17.00 \$	8.10	May-03 \$	11.17 \$	9.80	Nov-06 \$	13.73 \$	12.23
Dec-99 \$	12.68 \$	8.18	Jun-03 \$	10.99 \$	9.49	Dec-06 \$	13.42 \$	11.92
Jan-00 \$	11.39 \$	8.14	Jul-03 \$	11.23 \$	10.00	Jan-07 \$	13.91 \$	12.41
Feb-00 \$	12.33 \$	7.98	Aug-03 \$	11.65 \$	12.40	Feb-07 \$	14.48 \$	12.98
Mar-00 \$	12.15 \$	8.05	Sep-03 \$	12.58 \$	12.67	Mar-07 \$	14.65 \$	13.15
Apr-00 \$	12.18 \$	8.03	Oct-03 \$	14.50 \$	14.08	Apr-07 \$	15.17 \$	13.67
May-00 \$	12.35 \$	7.79	Nov-03 \$	14.09 \$	12.38	May-07		
Jun-00 \$	12.47 \$	7.83	Dec-03 \$	14.60 \$	11.22	Jun-07		

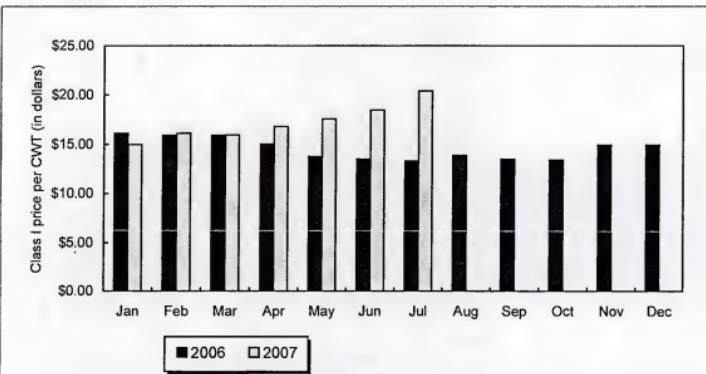
PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 2006 and 2007

Statistics from the Montana Milk Control Bureau

Month	2006	2007	Difference	% Change
January	\$16.12	\$14.98	(\$1.14)	-7.07%
February	\$15.93	\$16.14	\$0.21	1.32%
March	\$15.93	\$15.94	\$0.01	0.06%
April	\$15.04	\$16.80	\$1.76	11.70%
May	\$13.77	\$17.55	\$3.78	27.45%
June	\$13.52	\$18.47	\$4.95	36.61%
July	\$13.30	\$20.39	\$7.09	53.31%
August	\$13.89			
September	\$13.52			
October	\$13.40			
November	\$14.97			
December	<u>\$14.95</u>			
Average	\$14.53	\$17.18	\$2.38	17.63%

Prices are per hundredweight (CWT).

Completion of pooling (prior to audit) shows the producer quota blend prices to be:

APRIL 2007: class I = \$10.58; class II = \$1.51; Class III = \$3.28; total = \$15.37

(calculations based upon utilization percentages of butterfat & skim)